EXHIBIT 29

JBS
2008 Earnings Conference Call
August 13, 2009

Operator: Good morning, ladies and gentlemen, and thank you for waiting. At this time, I would like to welcome everyone to the JBS 2008 Earnings Conference Call. Today we have with us Mr. Joesley Mendonça Batista, President; and Mr. Wesley Mendonça Batista, CEO in the U.S.; and Jeremiah O'Callaghan, IR Officer.

We would like to inform you that this call and the slides are being broadcast on the Internet at the Company's website www.jbs.com.br/ir; and that the presentation is available to download at the investors information section. Also, this event is being recorded and all participants will be in listen-only mode during the Company's presentation. After the JBS's presentation, we will initiate the question and answers section for analysts and investors only.

Before proceeding, let me mention that forward-looking statements are based on the beliefs and assumptions of JBS's management, and on information currently available to the Company. They involve risks, uncertainties and assumptions because they relate to future events and therefore differ on circumstances that may or may not occur in the future.

Investors should understand that general economic conditions, industry conditions and other operating factors could also affect the future results of JBS and could cause results to differ materially from those expressed in such forward-looking statements.

Now, I will turn the conference over to Mr. O'Callaghan, the IR Officer. Mr. O'Callaghan, you may begin your conference.

Jeremiah O'Callaghan: Thank you very much. Thank you all, thank you for joining the JBS Conference. We're pleased to have you all with us today. Initially I will make a brief presentation, and then our President, Joesley Batista will make some final considerations and then we will open the session for questions and answers.

In order to work a little bit on the background we would like to talk a little bit about the strategy of the Company. Then we will spend a little bit of time talking about the market overview. And then after that, the highlights of the second quarter earnings, and we will have a look at the consolidated results before turning it over to Joesley for the final considerations.

I hope you all can see the slides that we are looking at that we have on our site at jbs.com.br/ir. They're in English and they're available for those of you who are listening to us.

A little bit about our strategy, initially. JBS has been building a global production platform in the main producing countries over the last couple of years, initiated in South America, and then going to North America and Australia in 2007. And further growing at the end of 2007 and 2008 both in the U.S. and in Australia and also in Europe, where we have a joint venture with our Italian partners Inalca.

Based upon that production platform, the Company is now initiating a new phase of distribution and further—getting closer to our customers and our consumers. So we are building a distribution platform. Again, it's a global platform. It is not only in the countries where we produce our product but also in the countries where, to which we export products. And we have many good customers in many countries around the world.

So this is a very broad and global distribution platform, and we will be focusing our attention on building this platform in 2009 and in 2010. And as we build this sales and distribution platform, we are looking to add value to our products and obviously add margins to our business because most of these businesses nowadays are service companies that render these services and have their own profit margins, their own EBITDA margins. And JBS will be building upon its production platform to increase its margins through building the sales and distribution platform, and eventually through branding and customization of our products for specific needs, such as retail and food service portioning and case-ready and family packing products and such.

I think it is also important to mention the countries that JBS is based in and the importance of these countries in terms of producing countries, consuming countries, exporting countries, and importing countries. And we've done a slide on these numbers to demonstrate.

For instance, as producing countries, the United States and Brazil represent more than one-third of all beef produced on the globe, and JBS is a leading producer in both of these countries, not taking into consideration Australia, our European business and also our Argentine business. We produce—we are in the countries that produce, we are leading players in the countries that produce more than one-third of all beef on the globe.

Also in terms of consumption, we have the United States, Europe and Brazil representing half of all consumption on the globe. And again, JBS is a leading player in these markets.

And in terms of exports, Brazil and Australia are the two largest exporting countries. And again, JBS has the leading positions in these two countries.

While in terms of imports, the United States is, again, although it's an exporting country, it's the largest importing country. And again the presence of our Company in that market is obviously important from a strategy point of view.

Speaking of per capita consumption, the recommended consumption per capita of meats in general, not only beef, but beef, pork and poultry primarily, their recommended consumption per capita by the Food and Agricultural Organization is 80 kilos per capita annum. And there was a slide which illustrates that the global average is just over half of that – 42 kilos - and that clearly demonstrates the potential demand that exist for meats globally, for us to reach levels of consumption which would be recommended, particularly in the emerging markets where we see improved incomes; and as incomes improve tendencies towards improved per capita consumption.

Again, when we—when we project global population as projected by the United Nations up until 2050, we see that most of that population growth is in the emerging markets. And as we project forward today's consumption and we take the consolidated (sp?) consumption with an increase of 2%, we see that the potential demand, particularly in the American markets, through the coming decades is enormous. And this is one of the fundamentals of having a global production platform in order to be able to serve the needs of consumers in all these emerging markets.

Speaking specifically of a couple of markets, we will mention a couple of the main markets here briefly. The U.S. Market initially, which is the largest producing market. We've seen the recovery of exports after 2004 when exports collapsed because of Mad Cow Disease. We've seen that market recover and a lot of balance in that market, good domestic consumption and growing exports. And so that is a solid and mature market that it's important to be in.

Exports. If we look at page 10 of our presentation, exports will have been climbing gradually from 2004 and are now substantially back to the levels they were pre-prices of 2004 of more than one million tons of exports per annum. Last year we had just over one million tons and we continue to see growth in 2009. And the main destinations for that product are very mature markets: they're the neighboring countries in North America of Canada and Mexico, and then the Asian countries of Korea, Vietnam and Japan. These are the main markets for U.S. product, at least including the three markets, indicating stability and solidity in the exports of U.S. beef products.

Speaking of Europe, production in Europe has been declining and the necessity for imports has been growing. Europe now is just over 90% self-sufficient. So regardless of the difficulty in accessing that market and the barriers that exist, this is a good market. And JBS has been serving this market out of Australia, out of Argentina and out of Brazil also. In a limited manner but also serving it out of Brazil. And also with quite growing volumes of further processed beef produced primarily in Argentina and Brazil.

And recently, I might recall that Europe has agreed a tariff-free quota between the U.S. and Europe to import initially 20,000 tons growing to 45,000 tons in the coming three years of U.S. beef to the European Union. That is obviously an indication of the necessity that exists in the European Union, and it represents an opportunity for the U.S. industry. It's one of the very few tariff-free quotas that exist in the world for beef trade. And it's quite a significant volume and it indicates a significant trend in terms of European requirements.

Just to give a little bit of color on JBS's participation in exports to the European Union. In the first quarter of 2009 JBS exported from its various production bases more than US$140.0 million to Europe, and that jumped to US$176.0 million in the second quarter. That gives us an idea of the potential growth in that market.

Speaking of Russia, Russia is a very important market because it's the largest beef importing market in the world and has a requirement to import almost half of all its consumption. So it's a relevant market and something—a market we think it's important to mention and to analyze.

Regardless of the credit difficulties and the economic downturns, which we've had in the last year, year and a bit, we've seen growth in imports into Russia in the first half of 2009. And again just to give you a bit more color on that, JBS exported - again from its global production platform – more than $75.0 million to Russia in the first quarter, and that grew to almost $85.0 million in the second quarter. So there's, obviously there's a recovery of trade into Russia as credit improves and as markets stabilize.

Speaking of Brazil, we've seen—we've seen substantial growth in exports out of Brazil in the last decade. And although we've had a downturn in the volumes exported in the last 12 months, that is partially due to a cyclical recovery of the herd in Brazil; and also because of creditors difficulty globally.

But Brazil is a major player in providing beef for the globe. A quarter of all beef traded comes from Brazil. And as the herd recovers in Brazil, that volume should increase to about one-third of all beef traded globally.

Brazilian exports. We have a slide on Brazilian exports on page 14, which gives an idea of the growth over the last 10 years and also of JBS's participation. And again, just to give everybody a little bit of color on JBS Brazil exports. Just out of Brazil, JBS exported more than $226.0 million in the first quarter of 2009, and that jumped to more than $310.0 million in the second quarter. That is substantial increase in volume out of Brazil, second quarter against first quarter.

Talk a little bit now about the highlights of the second quarter. We would like to highlight firstly, a net income of 172.7 million Reais net profit. Revenue increase of 30% against the same quarter in 2008 from 7.13 billion Reais to 9.255 billion Reais; an increase of more than 32% on consolidated EBITDA compared with the same period last year from 290.0 to 384.0 million. And when we compare EBITDA second quarter '09, we had an increase of more than 81% against—comparing with the first quarter of '09. First quarter '09 against the second quarter '09, an increase of 81.5%.

Something else to highlight is JBS's increase in market share in Brazil. We now have close on 18% market share in Brazil - and this is something that we've been talking about in previous conference calls. And we plan to continue growing in this market. We think it's a good and solid market and there was a good opportunity for growth in this market.

As I mentioned earlier, we've initiated a sustainable global distribution and sales platform, and this will be ongoing in 2009 and 2010.

We generated positive operating cash flow during the second quarter of more than 300.0 million. In fact it was more than 600.0 million Reais but when we discount the cap ex of over 280.0 million Reais, we still have generated positive operating cash flow of more than R310.0 million Reais in the quarter.

We've increased the efficiency of our working capital. We are working - and we will see this in the slide later on. We are working with a much shorter period that we are financing our business; that's down from 53 to 37 days from Q1 '09 to Q2 '09. We've increased our harvesting capacity in Brazil – beef harvesting capacity – in Brazil by more than 20%; again quarter-on-quarter, by including five new facilities in Brazil. We announced this to the market just over a month ago. Five new facilities with 6,000 harvesting capacity per day, on top of the 20,000-capacity approximately that we had prior to this.

And I think also that most of you will remember that JBS filed a request in the U.S. to initiate the process of an IPO for JBS U.S.A., the subsidiary of JBS SA in July. And we at the same time signed a request with

the Brazilian Stock Exchange for a BDR Program, a Brazilian Depository Receipt Program, coinciding and corresponding with the IPO in the U.S.

Having a look now briefly at our consolidated numbers. Firstly on that revenue, we've had net revenue of 9.255 billion Reais in the second quarter, which would have been substantially more were it not for the strength of the Brazilian currency. Just as an exercise for everybody, JBS's net revenue, if we had had the same exchange rate as we had in the first quarter of '09, Real against U.S. dollars would have jumped 11.5% in the second quarter. So the strength of the currency—the strength of the currency has jeopardized the consolidated number of JBS, which is something obviously beyond the control of the Company.

I'm looking at page 16 as I demonstrate. Also the EBITDA and the EBITDA margin for the period. On page 16 we can see that the 81.5% increase in EBITDA quarter-on-quarter, and the EBITDA margin going from 2.3% to 4.1% in the second quarter of '09. Pretty much in line with what we expected in a period of crisis.

On page 17, we have—we have performance by business unit, initiating with JBS U.S.A. beef, which includes the Australian operations. A big jump in revenue there from 2.8 to 2.9 billion Reais—sorry, U.S.dollars. All these numbers are in local currencies. So this one is in U.S. dollars, with an increase from 16.0 million to more than $104.0 million in EBITDA, margin going from 2.2 to 3.6% pork in the U.S. We've also had an increase in revenue and a substantial increase in EBITDA from 7.5 to almost US$25.0 million, 1.4 to 4.5% margin; pretty much going back to the levels that the Pork Corporation was operating at in the U.S. prior to the first quarter of '09.

Inalca JBS. Initially again, revenue has remained stable at 144.0 million Euros, and EBITDA has grown by 1.0 million Euros from 5.6 to 6.6, with a margin recovery coming close to the 5% EBITDA margin.

JBS Mercosul. Here again a substantial increase in revenue from 1.4 to 1.7 billion Reais. This one is in Reais although it's in—includes two countries. And a substantial increase also in EBITDA from 53.5 million to 83.0 million Reais, 3.7 to 4.9% margin. That's on page 17.

On page 18, let's talk a bit about the debt of the Company. Again, taking into consideration the seasonality of our business with the increase in production and consumption as we go into the summer months in the Northern Hemisphere. Normally we would have increased working capital requirements. But we see that our leverage has remained substantially stable quarter-on-quarter at—from 2.5 to 2.6 times leverage quarter-on-quarter.

And also it's important to highlight, I think, the profile of the debt. The fact that our debt profile has become—our debt has become more long term and less short term. Less than 40% of our debt is now short term. And that has increased from 50% last year to less than 40% this year; something which is important for the financial planning of the Company, and something we would like to highlight.

Regarding cash and availabilities, on slide number 19 we've, firstly we have a synopsis of the net indebtedness and the gross indebtedness of the Company with cash and cash equivalents of 2.3 billion Reais. But if we—if we take into the consideration the facilities, the revolving facilities which we have available particularly in the U.S. and in Australia, which total about US$516.0 million, which is readily available, the total availabilities of the Company, the total liquidity of the Company would go to almost 3.4 billion Reais, as demonstrated on page 19.

On page 20 we have a detailing of the operational cash flow. There, as I mentioned earlier, we've had 288.0 million Reais of cap ex, of investments during the period and we've still generated more than 311.0 million Reais of positive operating cash flow regardless of the cap ex in the period.

And again, going back to the question of working capital, I mentioned earlier that we reduced the period that we finance our business substantially, from 53 to 37 days. And that is indicated in the slide on page 21; where we have a graphic explanation of how this came by from working capital and interest requirements of 53 days in the first quarter of '09. That was reduced to 37 days average during the second quarter of '09. This is something that we have been working on constantly and we see a constant improvement—improving trend with these numbers.

On consolidated revenue distribution by firstly, more than one-quarter of all revenue represented exports in the second quarter of '09. That, just for comparison purposes, increased from 22% in the first quarter to 26% in the second quarter. And then the distribution by market: 54% is beef in the U.S., 13% is pork. Brazil 16%. Australia represents 11% and Italy represents 4 and Argentina is—was 3 and is now 2% of the revenue, the consolidated revenue of JBS.

On page 23 we have a look at the destinations to which the Company exports its products and a breakdown of the $1.7—$1.17 billion exported by JBS in the second quarter, initially to Japan and to Europe. Also exports out of Australia and out of South America of fresh product out of Australia and industrialized further processed product out of South America to the U.S. So that is also a substantial destination for JBS, regardless of the fact

that it is a major player in producing in that market as well. And then we have a breakdown of the other markets on page 23.

That ends our presentation, and I would like to hand the conference over now to our President, Joesley Mendonça Batista for his final considerations. Thank you all very much. Joesley.

Operator: At this point, Mr. Joesley is not connected to the call, sir.

Jeremiah O'Callaghan: Could we open for Mr. Joesley to speak right now?

Operator: Mr. Joesley is not on the call, sir.

Jeremiah O'Callaghan: Oh, he's not on the call?

Operator: No, sir.

Jeremiah O'Callaghan: Okay. So we seem to have communication problems with the telephone system today. So I will continue to present the final considerations while we attempt to reconnect Joesley, so that he can be available for questions and answers after I make these final considerations.

On page 24, we have a short synopsis, six bullet points of our final considerations. Again, highlighting the growth in Brazil with the increased market share.

Also we think it is important to highlight the fact that the U.S. operation, regardless of global crisis has maintained its margins. It has operated positively since the beginning of last year; and it has maintained margins regardless of a not so positive economic environment. And that obviously indicates the improvements within the Company through synergies and through all the cost cutting measures that JBS U.S.A. has been implementing.

Again, going back to the question of the global sales in the distribution platform, this is something we would like people to consider. And as we round off this presentation, the importance that this will have for the Company. And the potential margin improvement that the Company will have as it further packages and processes and customizes its own products, adding margin through the chain as we go closer to the consumer.

The question of our balance sheet; we've talked about this in previous conference calls. JBS has been extremely conservative in maintaining a healthy leverage and a very liquid balance sheet during the crisis. And we will continue to look at our balance sheet in the same manner, being conservative and preserving good numbers.

On the question of sustainability, environmental sustainability and other aspects of sustainability, the Company has been implementing a number of measures over many, many years. And we continue to dedicate importance to the question of sustainability and towards not having any conflict with ranchers or with any aspects of cattle ranching and production, so that we can continue to serve our customers in responsible and in a sustainable manner.

And finally, a final consideration, JBS now with its—with the solid structure that the Company has, and now that we seem to be progressing out of this crisis that has been affecting business globally over the last 12 months, the Company feels comfortable to say that it is beginning (sp?) a position to return to its growth mode, to look at opportunities and to continue to grow as it grew prior to the crisis. We think that the balance sheet is healthy. New opportunities are out there. And JBS is looking at maintaining a strong Company, an efficient Company; and maintaining good margins.

With that, I've finished my presentation. I hope that Joesley has been able to join us since then so that he can be available for Q&A. Joesley, are you available?

Operator: He is not connected to the call, sir.

Jeremiah O'Callaghan: Yes, there seems to be a—there is a technical telephone problem in San Paulo today. We've had a number of issues earlier on this morning in being able to make international calls and they seem to persist.

So we have here—is Wesley Mendonça Batista on the call?

Wesley Mendonça Batista: Yes, here I am.

Jeremiah O'Callaghan: Yes. So perhaps we could initiate the Q&A phase, and I suggest that we direct the questions through to Wesley. So perhaps we can—can we hand it over for the Q&A?

Operator: Thank you. Ladies and gentlemen, we will now initiate the question and answer section. If you would like to ask a question please press star, one on your telephone keypad. If at any point your question has been answered, you may remove your question from the queue by pressing the pound key.

Please hold for the first question. Your first question comes from the line of Marcelo Luna.

Marcelo Luna: Yes, thanks. Hi, good afternoon, Joesley, Wesley.

Operator: Marcelo Luna is open.

Marcelo Luna: Yes, can you hear me? Hello? Good afternoon. I just want to make sure everybody is hearing—

Jeremiah O'Callaghan: Is Marcelo Luna on the line?

Marcelo Luna: Yes. Jerry, can you hear me?

Jeremiah O'Callaghan: No, he's not coming through here. He's not open to us.

Marcelo Luna: Jerry.

Jeremiah O'Callaghan: Yes. Can you hear us? Now this is what—is this Wesley?

Marcelo Luna: Can you guys hear me?

Jeremiah O'Callaghan: Now, yes Marcelo. We can hear you now.

Marcelo Luna: Good. Thank you. Good afternoon to all. I have a couple of questions and I want to start by focusing on the top line. And this is more of a generic question. I just wanted to start by asking, if as a result of the strong performance and the recovery in the second quarter, and the, you know, the good outlook for prices in volumes that we're seeing in July and August and so on and so forth. If you could talk about where, as far as each division is concerned, whether your expectations for the full year are improving. I know we talked about, not about guidance in the past, but about your expectations for sales for the full year, and then maybe EBITDA margin ranges for the different divisions.

So I just wanted to ask if at this point your, you know, you are considering revising or you have better, let's say expectations for both revenues and EBITDA for each of the divisions. I guess that's a first question. Thank you.

Jeremiah O'Callaghan: Wesley?

Wesley Mendonça Batista: So basically, Marcelo, thank you for being on the call. What we are seeing now, not only in our business, so globally, we are seeing the economies in a lot of important markets start to recover pretty well. So we are seeing this third quarter starting stronger. So we think this third quarter and going forward following this global recovery, we think we will see the

demand stronger. And also we are seeing the U.S. dollar weaker, compared to important currencies that import products from U.S. So we think this will help us with the export market.

Marcelo Luna: Okay, great. And so, Wesley, as far as the figures, can you talk about whether you're expecting now maybe, you know, revenues of above $20.0 billion for the full year for the Company. Or what type of range - EBITDA range - you're looking at at this point. I'm not sure if you can comment on how much more you'd expect your, or JBS's EBITDA margins to increase from the second quarter. Can you—can you comment on those items?

Wesley Mendonça Batista: Sure. Mr. Marcelo, when you look at our first quarter and our second quarter we did 9.2 billion Reais in sales in our first quarter, and also 9.255 in our second quarter.

So we are confident that we will see over $20.0 billion in sales, so if you look, we'll have closely to R40.0 billion Reais in sales if you multiply the first two quarters through to the full year. And when you look at the currency Brazil.

So in sales, we are confident that we'll see, we'll see over $20.0 billion in sales. About the margin? What we are looking and what we expect to see, a stronger margin in the third quarter compared to the second, overall.

Marcelo Luna: Okay. And then the—and then the fourth quarter then you would expect to be about in line with the third, or it might be a little too early to discuss?

Wesley Mendonça Batista: I think it is a little bit early to discuss.

Marcelo Luna: Okay. Good. It's—that's very helpful. So I just had another question on--. We're interested in learning more about the progress with your strategy of integrating downstream in the U.S. business and also in Brazil where you're expanding your distribution and serving more and more the food service channel.

So we just wanted to maybe hear a little about how that is progressing at this point. Whether it is going according to plan. And then whether it is already having an impact in your margins. And if the impact has not been significant at this point, what sort of impact could we see in the second half of 2009 and then in 2010. Because we understand that that's an important part of your strategy for expanding margins and revenues. Thank you.

Wesley Mendonça Batista: Thank you, Marcelo. What we are working on about our strategy is to expand our customer base, to access more end users,

not necessarily on the food service channel but also in the retail channel, to sell much bigger portions in our sales to end users, to aggregate better margin. We are—we are moving faster than we also, than we expected in the beginning. In Brazil we already - compared to this first six months compared vis-à-vis compared to 2008 - we have doubled customer base compared to last year in numbers of customers.

About the margin improvement that this strategy have impact in our numbers, we are not already in this number and we will see this number hit our P&Ls more strong in the beginning of 2010.

So, for sure we will see some impact in this distribution strategy in the third quarter, in the fourth quarter. But the more strong impact in our P&Ls we will see in the beginning of the first quarter in 2010.

Joesley Mendonça: Jerry, can you hear me?

Jeremiah O'Callaghan: Yes.

Joesley Mendonça: Wow. Now here's Joesley joining the call.

Jeremiah O'Callaghan: Nice talking to you, Joesley. Finally.

Joesley Mendonça Batista: Yes. I'm in Argentina, I'm in Argentina, not presently in San Paulo, and Wesley is in U.S. I am here in Argentina for our team, personally. And as this call is in English, it's more focused (sp?) in the U.S. operation. I would suggest to Wesley, keep on answering the questions. But I am here available to answer any question you need. Thanks.

Jeremiah O'Callaghan: Joesley, you know, if you could it would be just nice for you to do a short synopsis of our final considerations. I called you. You were not available then. But perhaps a comment from you?

Joesley Mendonça Batista: That's okay. Again, I can talk some words about this.

We are considering this second quarter as a next phase, a next phase of our Company. We faced all this crisis during these last three quarters very quiet (sp?). We were in a very strong cash position. We kept our leverage in a low range. And now as the markets—the market follow, we filed (sp?) in effect (sp?) to make the IPO in the U.S. And from now ahead we are focusing again in keep growing in revenue and in expanding our margins, making some—growing through acquisitions and organic--.

We are, what I'm trying to say is that from now ahead we are getting back to our regular growth strategy following the market that is

getting better daily. And this is one of the main reasons that we filed in effect the IPO of the U.S.

Jerry, let's get back to the Q&A. Okay. Thank you.

Jeremiah O'Callaghan: Okay. Thank you very much, Joesley.

Operator: Your next question comes from the line of Erick Olam (sp?).

Eric Olam: Morning, everybody, and congratulations on a good result. My question has to do on mergers and acquisitions. In the Portuguese call, Joesley, you—or at least it was attributed to you that you're going to resume efforts to expand through acquisitions.

I'm just looking for a little bit more color, you know, given the situation on the slaughter side in Brazil where there's a lot of excess capacity, there're some obvious opportunities there, I would think. But also, given the focus that the firm has on value added branded processed products, perhaps in some end markets, say like the EU or the U.S. there may be better opportunities.

Could you just comment where the focus would be, you know, on the production side? On the value added, branded distribution side and the regional market? Thank you.

Jeremiah O'Callaghan: Regrettably, and there's been a problem with the connection with Joesley again. I think we need to buy a telephone company in Argentina.

Eric Olam: Well you can get them cheap.

Jeremiah O'Callaghan: We'll pass the question over to Wesley. Wesley, if you could respond?

Wesley Mendonça Batista: I will try to answer most direct like him (sp?) , but you know we are in the process - we filed to become public (sp?) in the U.S. so we are in a quarantine period. What we can say is that we feel that the Company is—when we moved JBS overall, our management, our balance sheet, our liquidity, we feel that we are prepared to continue to grow our business.

So I can tell you that like you said, Brazil, we are seeing some opportunities. We are ready. By extension (sp?) Brazil, we bought another five plants—beef processing plants in Brazil. So this is an area that we, if we see opportunity and fit with our strategy, we will continually extend into the

property (sp?) and brand. Also if we see some opportunities that fit with our business, we will be open to look.

Eric Olam: Okay. Can you just say is it, are you more production oriented or more value added, branded, industrialized, oriented, when you're looking at this. Or it's really all just return on invested capital decision?

Wesley Mendonça Batista: I think Eric, basically, one strategy is already public, that we will grow and we will build a very, very important directly distribution platform. So this is an area that we—has generated business for us. We are always working to expand this business in the production side. So, like we did in Brazil. We expand five new processing plants. So I think what the markets will see is - grow our distribution platform, to aggregate better margin, to grow, to expand our margin, and also to grow in our production platform.

Eric Olam: Okay. All right. Thank you.

Operator: Your next question comes from the line of José Vanal (sp?).

José Vanal: Hello. Good morning, everybody. Congratulations on the results. My question is more like the sequential improvement in the EBITDA margin, particularly in the JBS U.S.A. operation - beef and pork. So I just want to understand a little bit more about the drivers of that improvement because the beef operation increase is lowering. However, the domestic consumption declined. And on the other side, you know, the pork distribution (sp?) is lowering - declined - but the domestic consumption increased.

So if you can please give me more color about the improvement in margins in the U.S.—JBS U.S.A. Thank you.

Wesley Mendonça Batista: So, good morning. So I think when you look (inaudible) we bought Swift here in the U.S. in 2007. Almost 80% of our margin improvement came through internal improvement. We have been working in all the areas in the Company to be more competitive. So since we bought Swift here we take a lot of profile of the Company. We reduced a lot of cost. We increased volume. We improved our product leads (sp?).

So all these margins of almost the biggest portion of this margin improvement came from internal improvements. So when we still have opportunities, we improve the business when you compare to before our acquisition. But we still want opportunities to grow more our business. We are working every day to get these synergies so they could build the scenario that we are working here in the U.S. And when you look about consumption that you said that the U.S. beef consumption is weak but pork is strong, you know, we

need to remember that our business in the U.S. also beef and pork is a spread business. We don't have hog production, so all our business is spread business.

The meat price is cheaper compared to last year, but also the live cattle and the live hog price is cheaper as well. So basically we are worth—when you look at the beef export actually is stronger than last year. When you look at the numbers until June in volume, we—the whole market, not only JBS, the U.S. market is 3% above in volume compared to last year.

Pork is much different, the situation in pork. The export volume in pork is significantly below last year. But also the biggest (sp?) export volume in pork is reflecting the hog price. So we are seeing hog price that are dropping too these last three, four weeks really hard. So again, our business is spread business and in the--the margin in the processing side is still pretty strong.

Operator: Once again, if you would like to ask a question please press star, one on your touchtone phone. Please remember to limit yourself to one question.

Your next question comes from the line of Alex Robert.

Alex Robert: Hi, everybody. Thanks. I was—I wanted kind of interested to know more about the volume behavior just in the U.S. beef operation. And I'm sorry I missed the beginning of the presentation. But kind of trying to understand the 4.6 sequential decline, the 4.6% decline here in the U.S. beef volumes first quarter to second quarter.

If you could give us some color, is it just basically a macroeconomic situation? And remind us at this point on a consolidated basis looking at U.S. beef business, I mean Swift and Smithfield. How are—how is the volumes dispersed between retail food service and further or other, right, in other words, if you had to put it into three categories. Thank you.

Wesley Mendonça Batista: Sorry, Alex, I did not understand the first part of your question. You said the volume? You are talking about the whole market or --? The volume?

Alex Robert: No. No. JBS U.S.A. beef, I guess had 4.6% lower volumes first quarter to second quarter, correct?

Wesley Mendonça Batista: Okay.

Alex Robert: And I'm just—we were a little--we're surprised about that drop, given just the seasonally strong summer second quarter versus the

first quarter. So just trying to understand what was behind the sequential U.S. JBS beef decline. And if you could help us just understand today how your points of sale are organized between retail, food service and other.

Wesley Mendonça Batista: Okay. So about our sales, basically is the big—I don't have here—

Jeremiah O'Callaghan: Wesley, I have these numbers.

Wesley Mendonça Batista: Okay. You may respond, Jerry.

Jeremiah O'Callaghan: I could just help a little bit with that.

Wesley Mendonça Batista: Yes.

Jeremiah O'Callaghan: I mean, when we look at the very specific issue that Alex has raised we see that exports increased almost 10% during the period. But more importantly, the average price of the products sold domestically in the U.S. increased also by some 7+%.

So a decline in volume represents an increase in sales of a high quality product for the barbecue season. And because of demand internationally, some of the secondary products produced in the U.S. were exported. So we had a significant increase in export of second-grade meats. But good consumption of high-grade meats in the U.S., which is indicated by the average prices domestically and internationally. Just to help with that first issue. Take it from there, Wesley.

Wesley Mendonça Batista: Oh yes, basically about our sales, the biggest portion is retail. Food service is--represent below 20% in our sales. And for processors, represent below 10%. The biggest portion in our sales is retail.

Alex Robert: Okay. Okay. That's helpful. And I guess the second question I wanted to understand is thinking just about year-on-year margin in the U.S. right, the 5.1% EBITDA margin in the US JBS beef business versus the 3.6% margin that you have in the second quarter.

Is it fair to say that that margin contraction on a year-on-basis is pretty much related to the lower drop credit with the beef? Or was there something else that also helped that. And as you look into the second part of the summer, so the third quarter '09 versus third quarter '08, right. Do you think that you can get toward the year-on-year margin levels that you had in that period as well?

Wesley Mendonça Batista: So, I'd like to basically, there is three states. One is Australia. Our business in Australia is—the big portion in our business is

export. And the biggest market for our business is Japan. So we – the demand in Japan in this second quarter is not very strong compared to the second quarter in 2008. All of us know that Japan are facing some challenge that are getting better now, the Japan market. So the first reason that the margin is below as compared to the second quarter in 2008 is the Australian business as a whole. So our Australian business is behind last year, maybe they're affected by the Japan market.

The second thing what you said about the whole job credit was much weak is getting better. The highest (sp?) price are getting better or recovering the price and also the (inaudible) price and the (inaudible) new price. So we are seeing a pretty big recovery in this price. But in the second quarter, compared to the second quarter in 2008 we have this impact also.

And also the U.S. market like you said in the beginning, the consumption in the U.S. market, of course these whole crisis (sp?) have been impacting, creating some impact in the consumption here. So the barbecue season is not as strong this year compared to last year. This third quarter, to finalize your questions, this third quarter what we are seeing is starting much stronger than the second quarter. So we think we will be able to achieve margins like we achieved in the third quarter in 2008.

Operator: Your next question comes from the line of Christina Neglon (sp?).

Christina Neglon: Good afternoon. Wesley, I was wondering if you could go over your view on the cattle supply in light of the placement numbers that we've seen but the fact that pasture conditions have been really excellent.

So if you could just talk to cattle supply going out towards the end of the calendar year.

Wesley Mendonça Batista: Lately, we think we will see enough cattle for the industry run normal. The industry, when you look at the volume in the whole industry, lately (sp?) it has been running less volume week-by-week compared to last year. So when we look at the numbers, the number of cattle that is available, we are very—we are very confident that we will see enough cattle to run the business normal.

Operator: Your next question comes from the line of Carlos Albano (sp?).

Carlos Albano: Hi. Wesley, could you talk a little bit about the pork business. I mean margins in this business have been very volatile. It was very low, 1.4% in the first quarter of '09. Now it increased to 4.5% in the second

quarter. If I remember correctly, the margins were low in the first quarter because you guys have some issue with hedging in the pork business in the US.

How do you expect the margins in the pork business to behave until the end of the year? Thanks.

Wesley Mendonça Batista: Carlos, make it clear that the processing margin is still pretty strong. What we are seeing we can see the future's market for this coming months have been dropping really hard these last months. So we are seeing the future's market in the hog price drop more than $10 for a 100 weight (sp?) in the last days. So when the cutout price is not dropping hard like the live hog price, so the margin is still pretty strong.

The difficult part is for producers. So producers are facing a really big challenge. The cost of production is far higher than the market, the cash market is now. So when we are seeing the start, we are seeing some increase in—not increase, we are seeing some more liquidation. So we think we will continue to see the margin in the processing side strong this whole year. But in the pork producers, it will be a real challenge for them, producers for, in the next quarters.

Carlos Albano: The Q&A section analysts and investors is closed. I will now turn the conference over to Joesley Mendonça Batista, CEO, for final considerations.

Joesley Mendonça Batista: Jerry, can you hear me?

Jeremiah O'Callaghan: Yes, we can hear you loud and clear.

Joesley Mendonça Batista: Okay. Thanks. So everybody, I'm really sorry for the problems in the communication. The Portuguese conference call we had to postpone from 10 AM to 2 PM now.

Jeremiah O'Callaghan: For 4 PM. It's revised for 4 PM, Joesley.

Joesley Mendonça Batista: 4 PM. Yes. I would like to thank everybody. I would—for the final consideration I would say that we are, we see a clear recovery in the U.S. margins operations. So we are confident that we will – we are back to the original trends that was, that we saw in the last year. So this third quarter we are doing as better as '08. So we consider that—we have considered that this is part of the past.

In general (sp?) terms, we are--JBS strategy is back to its expansions, organic growth. And looking forward we will see our sales growing again. And basically they don't always expansion (sp?) in the

distribution chain. We will be focused now in expanding margins. So our distribution chain that we are now focused to build this platform.

And I would like to finish here saying thanks to all of our Team. Really, congratulations. We—JBS proved its ability to face one more crisis. And in the end of the crisis, becoming health (sp?) to get advantage and get opportunities. And that's what we are looking for and that's what we will do.

Thank you, everybody, and have a good day.

Operator: Thank you. This does conclude today's presentation. You may disconnect your line at this time and have a great day.